First Quarter 2025
Earnings Presentation

April 29, 2025
5:00 PM Eastern / 2:00 PM Pacific

Registration: **1Q25 Registration link**
Webcast: **1Q25 Webcast link**

EXECUTIVE TEAM ON THE CALL

STEPHEN BERMAN
Chairman & Chief Executive Officer

JOHN KIMBLE
Executive Vice President & Chief Financial Officer

SAFE HARBOR STATEMENT

The Company would like to point out that any comments made about JAKKS Pacific's future performance, events or circumstances, including the estimates of sales and/or Adjusted EBITDA in 2025, as well as any other forward-looking statements concerning 2025 and beyond are subject to Safe Harbor protection under Federal securities laws. These statements reflect the Company's best judgment based on current market trends and conditions today, and are subject to certain risks and uncertainties, which could cause actual results to differ materially from those projected in forward-looking statements.

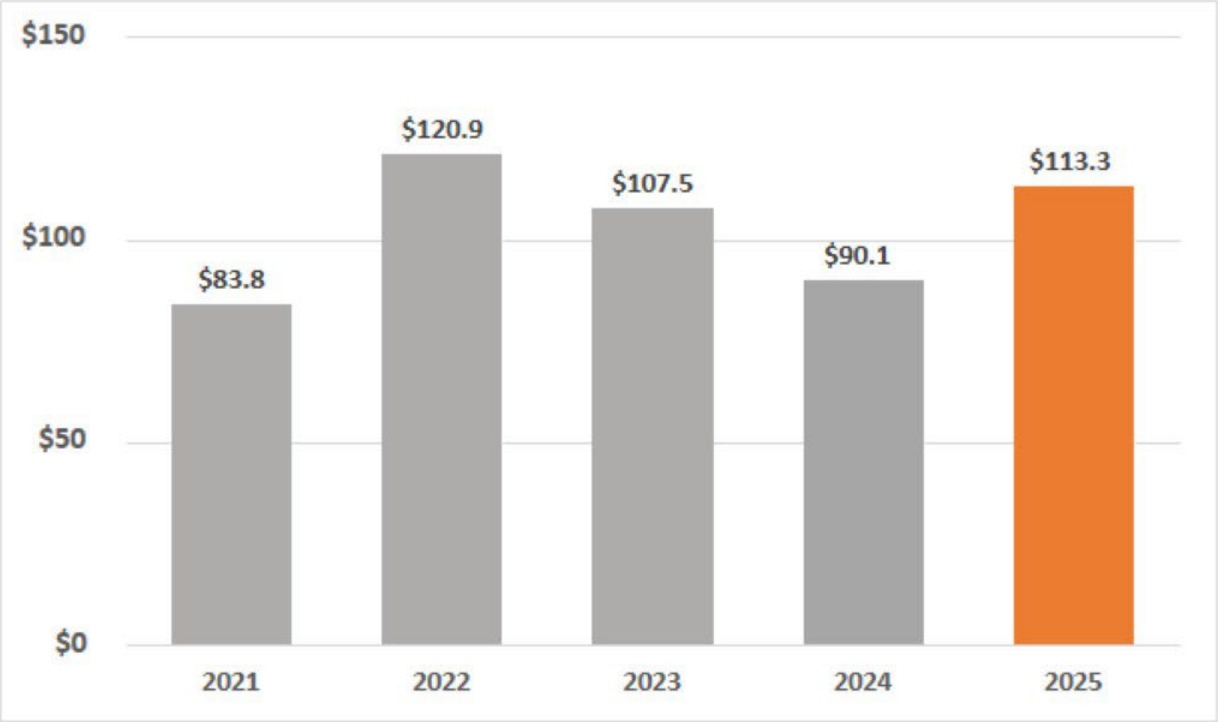
For details concerning these and other such risks and uncertainties, you should consult JAKKS' most recent 10-K and 10-Q filings with the SEC, as well as the Company's other reports, subsequently filed with the SEC from time to time. As a reminder, this conference is being recorded.

Note: The following presentation includes unaudited information

- Q1 Net sales were $113.3 million, a year-over-year increase of 26%
- Q4 Gross margin of 34.4%, up from 23.4% vs. Q1 2024
- Gross profit of $39.0 million, up $17.9 million compared to $21.1 million in Q1 2024
- Operating loss of $3.8 million, compared to an operating loss of $21.3 million in Q1 2024
- Adjusted net loss attributable to common stockholders (a non-GAAP measure) of $0.4 million (or $0.03 per diluted share), compared to an adjusted net loss attributable to common stockholders of $11.3 million (or $1.09 per diluted share) in Q1 2024
- Adjusted EBITDA (a non-GAAP measure) of $0.4 million vs. ($17.2) million in Q1 2024

2025 First Quarter Net Sales

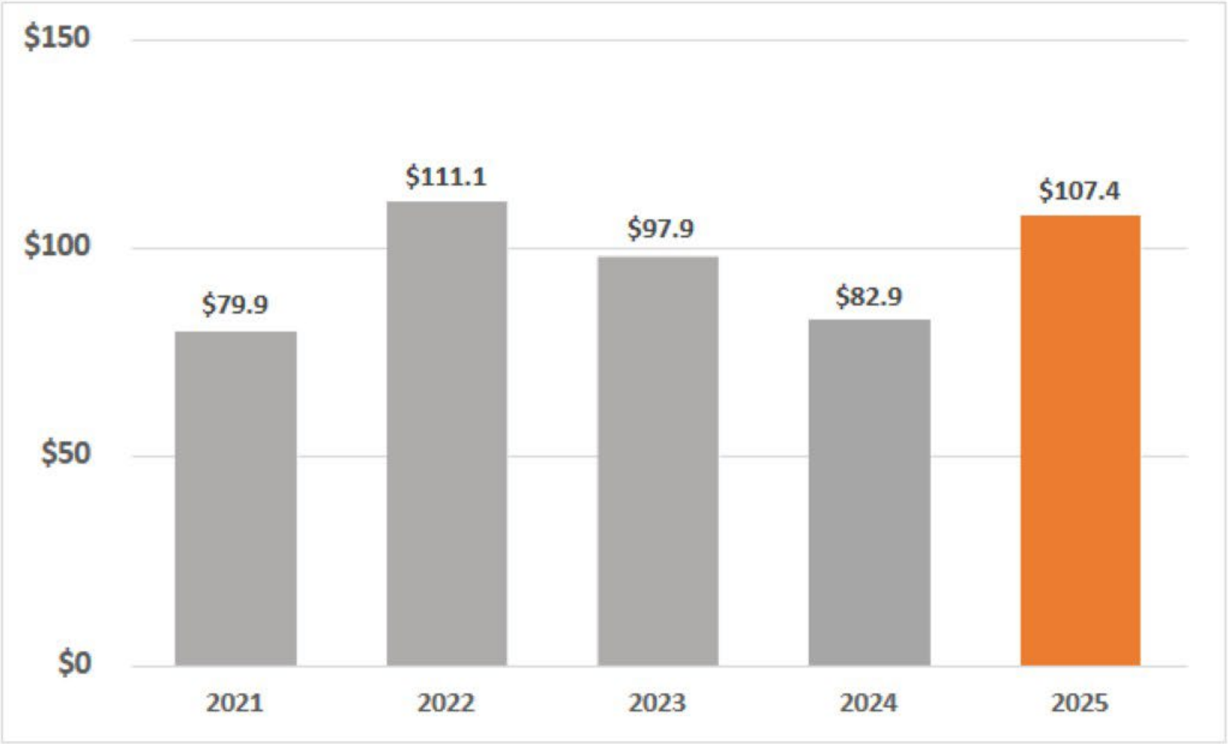
$ Millions



YoY % Change: 44% (11)% (16)% 26%

2025 First Quarter Toys/Consumer Products Net Sales

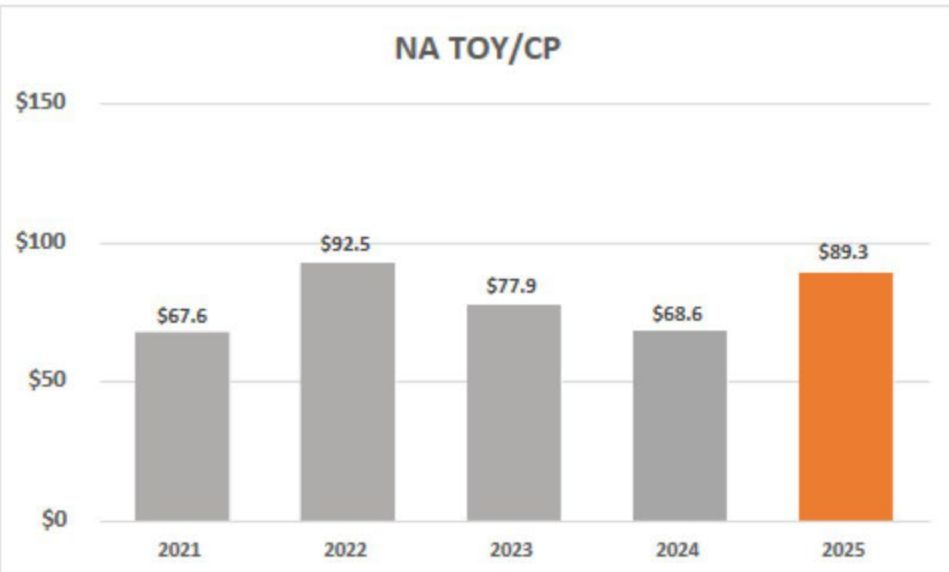
$ Millions



YoY % Change: 39% (12)% (15)% 30%

2025 First Quarter Toys/Consumer Products Net Sales

$ Millions



37%	(16)%	(12)%	30%

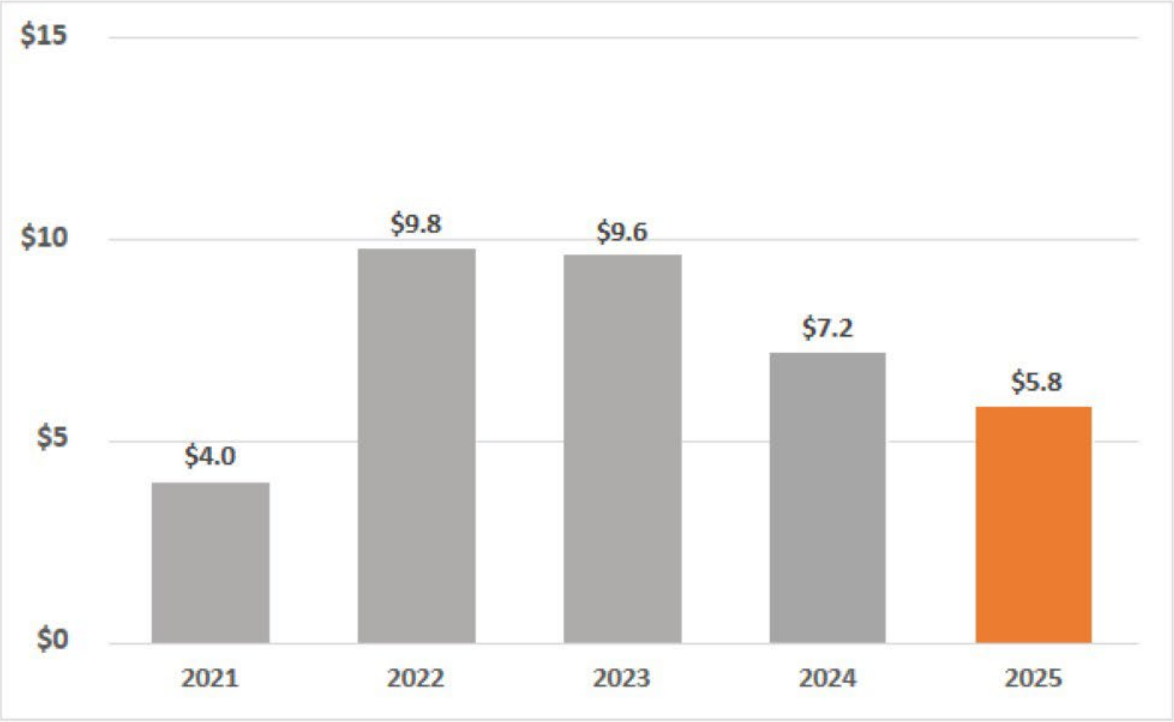
YoY % Change

52%	7%	(28)%	26%

YoY % Change

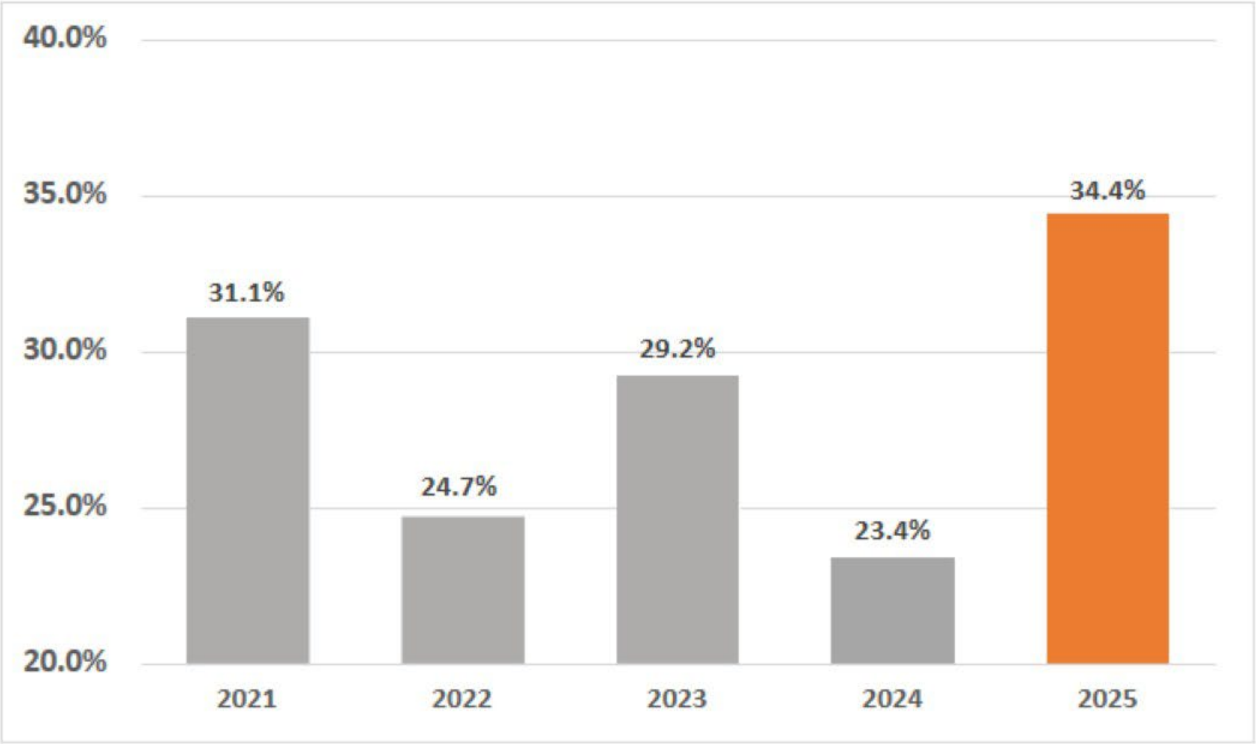
2025 First Quarter Costumes Net Sales

$ Millions



YoY % Change: 146% (2)% (25)% (19)%

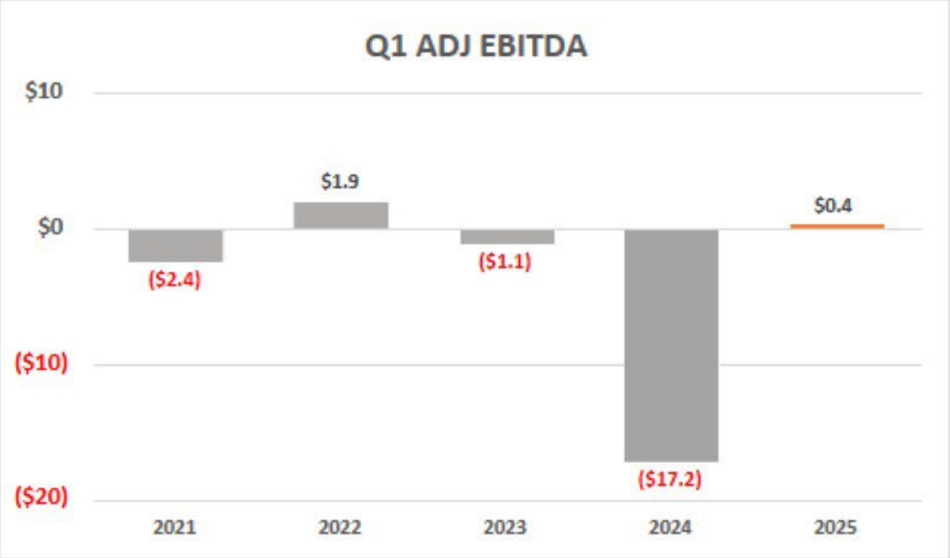
2025 First Quarter Gross Margin %



YoY % Change:	(640) bps	450 bps	(580) bps	1,100 bps

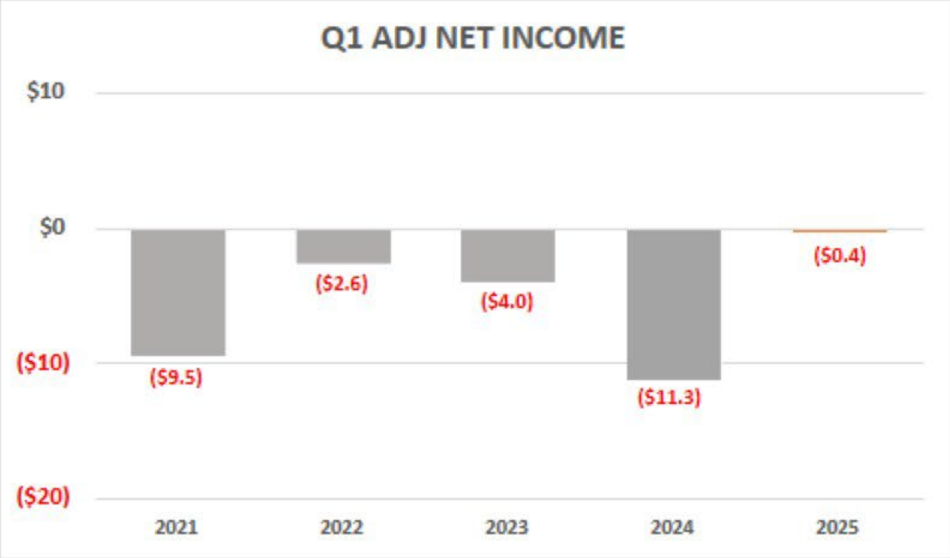
2025 First Quarter Adj. EBITDA and Adj. Net Income

$ Millions



(2.9)%	1.6%	(1.0)%	(19.1)%	0.3%

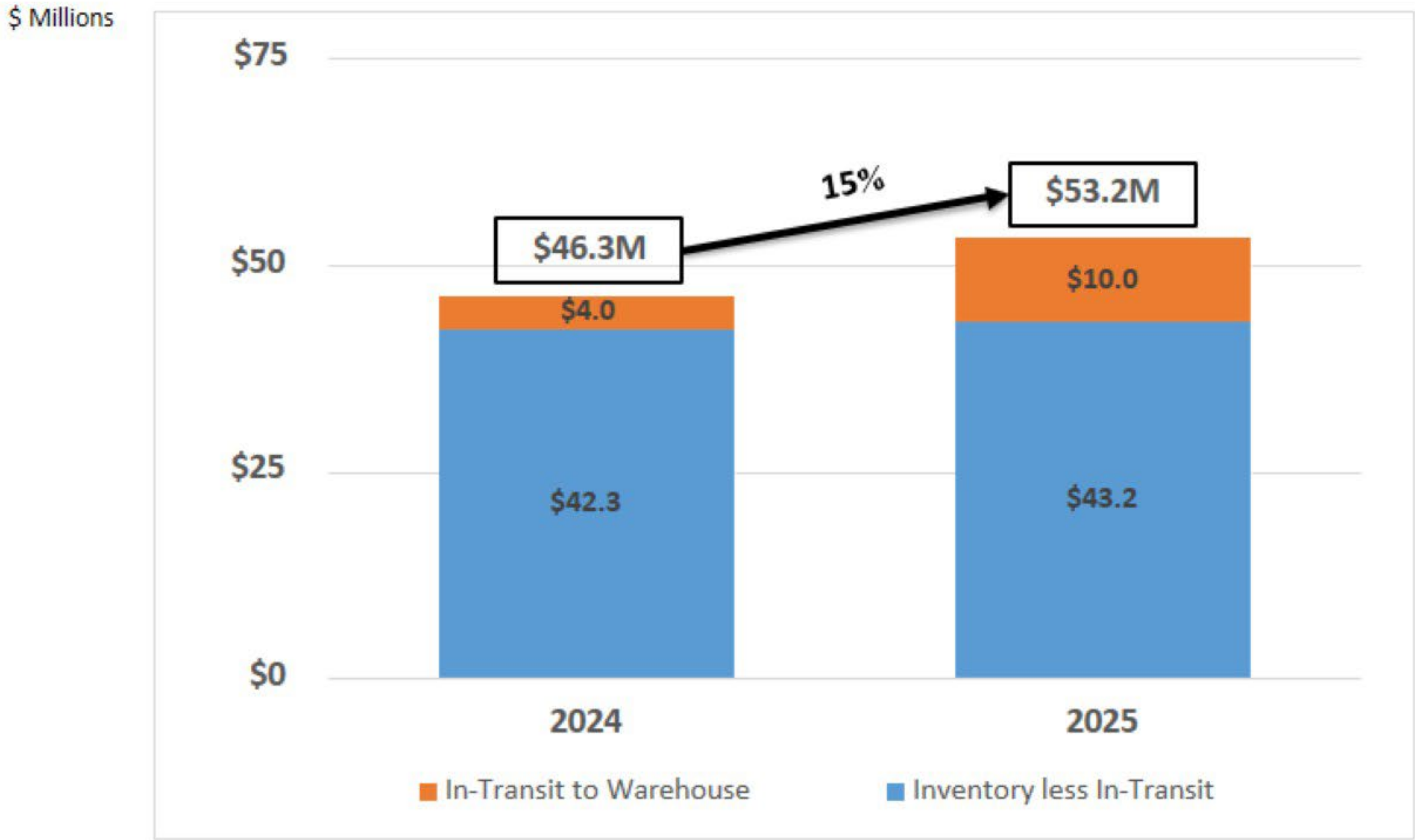
Adj. EBITDA Margin %



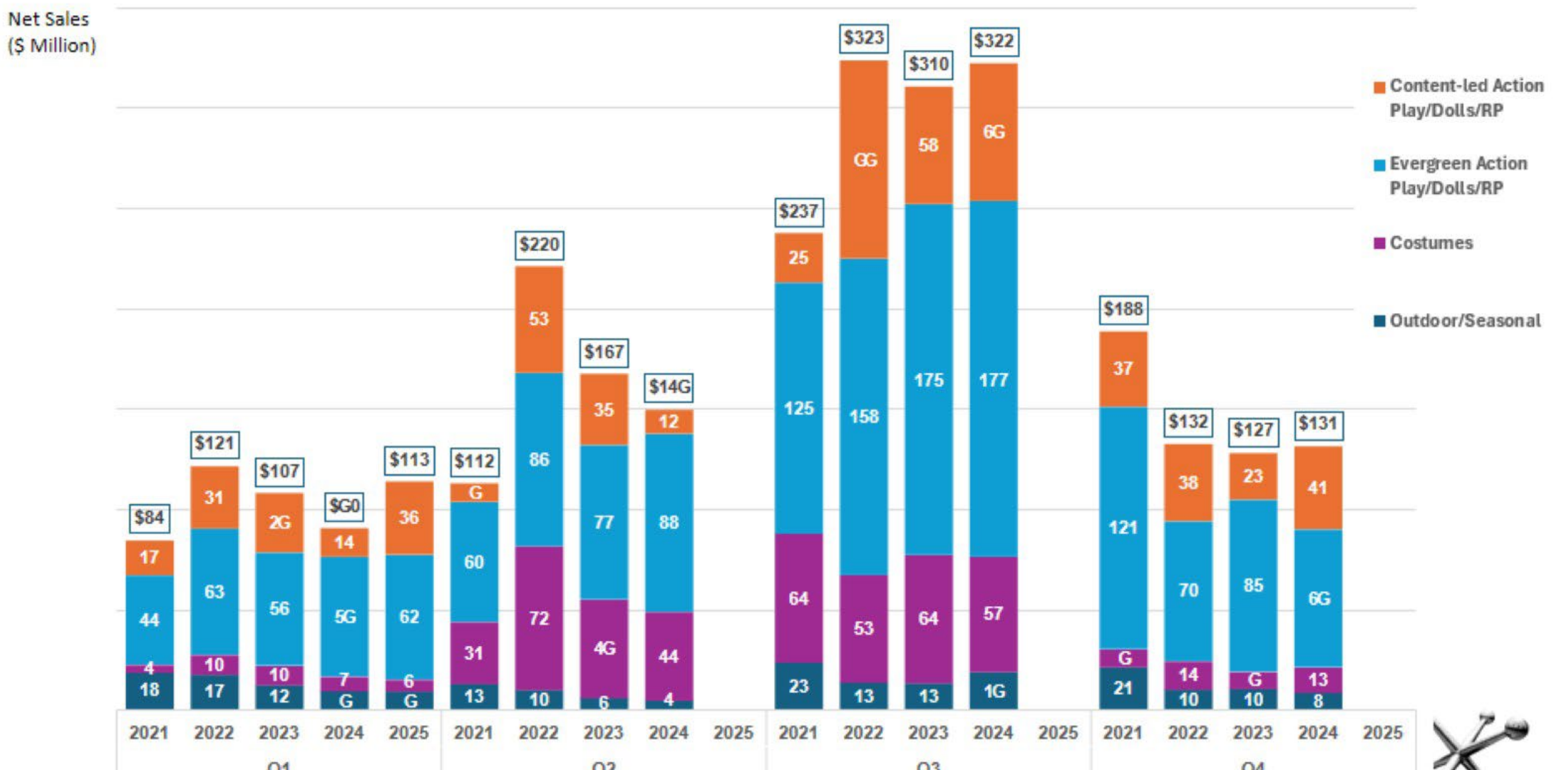
(11.3)%	(2.2)%	(3.7)%	(12.5)%	(0.3)%

Adj. Net Income Margin %

First Quarter Inventory - 2024 vs 2025 *(Worldwide)*



Q1 maintaining evergreen with additional benefit of new entertainment



Note: Content-led sales represent those products branded to support a theatrical, television, streaming film/TV or video game release and reported in either the company's Action Play or Dolls, Dress-up, Role Play divisions.

Top Entertainment Properties

2021	2022	2023	2024	2025
Disney Frozen 2 (Fall 2019)	**Disney Encanto** (Fall 2021)	**The Super Mario Bros. Movie** (Spring 2023)	**The Simpsons**	**The Simpsons**
Disney Raya and the Last Dragon (Spring 2021)	**Sonic the Hedgehog 2** (Spring 2022)	**Disney The Little Mermaid** (Live Action) (Spring 2023)	**Disney Moana 2** (Fall 2024)	**Disney Moana 2** (Fall 2024)
Disney Encanto (Fall 2021)		**Disney Wish** (Fall 2023)	**Sonic the Hedgehog 3** (Fall 2024)	**Sonic the Hedgehog 3** (Fall 2024)
				Dog Man (Spring 2025)

Note: Properties are listed in order of chronological product release.

JAKKS Pacific, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations (Unaudited)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Δ (%)
	(In thousands, except per share data)		
Net sales	$ 113,253	$ 90,076	26 %
Less: Cost of sales			
Cost of goods	54,626	53,821	1
Royalty expense	18,168	13,776	32
Amortization of tools and molds	1,446	1,427	1
Cost of sales	74,240	69,024	8
Gross profit	39,013	21,052	85
Direct selling expenses	8,696	8,097	7
General and administrative expenses	33,961	34,192	(1)
Depreciation and amortization	113	87	30
Selling, general and administrative expenses	42,770	42,376	1
Loss from operations	(3,757)	(21,324)	(82)
Other income (expense):			
Other income (expense), net	5	138	(96)
Interest income	362	376	(4)
Interest expense	(155)	(143)	8
Loss before benefit from income taxes	(3,545)	(20,953)	(83)
Benefit from income taxes	(1,163)	(6,728)	(83)
Net loss	(2,382)	(14,225)	(83)
Net loss attributable to non-controlling interests	-	280	nm
Net loss attributable to JAKKS Pacific, Inc.	$ (2,382)	$ (14,505)	(84) %
Net loss attributable to common stockholders	$ (2,382)	$ (13,175)	(82) %
Loss per share - basic & diluted	$ (0.21)	$ (1.27)	
Shares used in loss per share - basic & diluted	11,146	10,354	

JAKKS Pacific, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)

	March 31, 2025	March 31, 2024	December 31, 2024
	(In thousands)		
Assets			
Current assets:			
Cash and cash equivalents	$ 59,188	$ 35,290	$ 69,936
Restricted cash	207	202	201
Accounts receivable, net	95,611	79,875	131,629
Inventory	53,163	46,341	52,780
Prepaid expenses and other assets	19,854	19,087	14,141
Total current assets	228,023	180,795	268,687
Property and equipment	142,493	138,066	142,623
Less accumulated depreciation and amortization	124,592	122,694	126,981
Property and equipment, net	17,901	15,372	15,642
Operating lease right-of-use assets, net	52,721	22,965	53,254
Deferred income tax assets, net	70,404	68,142	70,394
Goodwill	35,085	34,997	35,111
Other long-term assets	1,737	2,063	1,781
Total assets	$ 405,871	$ 324,334	$ 444,869

JAKKS Pacific, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)

	March 31, 2025	March 31, 2024	December 31, 2024
		(In thousands)	
Liabilities, Preferred Stock and Stockholders' Equity			
Current liabilities:			
Accounts payable	$ 44,489	$ 31,683	$ 42,560
Accounts payable - Meisheng (related party)	-	8,689	13,461
Accrued expenses	37,200	37,201	48,456
Reserve for sales returns and allowances	26,229	27,859	35,817
Income taxes payable	1,093	-	1,035
Short term operating lease liabilities	9,806	8,237	8,091
Total current liabilities	118,817	113,669	149,420
Long term operating lease liabilities	47,110	15,961	48,433
Accrued expenses - long term	2,909	3,183	2,563
Income taxes payable	2,009	3,295	3,620
Total liabilities	170,845	136,108	204,036
Stockholders' equity:			
Common stock, $.001 par value	11	11	11
Additional paid-in capital	295,931	292,024	297,198
Accumulated deficit	(44,860)	(88,117)	(39,692)
Accumulated other comprehensive loss	(16,556)	(16,192)	(17,184)
Total JAKKS Pacific, Inc. stockholders' equity	234,526	187,726	240,333
Non-controlling interests	500	500	500
Total stockholders' equity	235,026	188,226	240,833
Total liabilities, preferred stock and stockholders' equity	$ 405,871	$ 324,334	$ 444,869

JAKKS Pacific, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (Unaudited)

	March 31,	
Key Balance Sheet Data:	**2025**	**2024**
Accounts receivable days sales outstanding (DSO)	76	81
Inventory turnover (DSI)	64	61

	Three Months Ended March 31,	
Condensed Cash Flow Data:	**2025**	**2024**
Cash flows used in operating activities	$ (1,700)	$ (12,863)
Cash flows used in investing activities	(3,065)	(3,634)
Cash flows used in financing activities and other	(5,977)	(20,565)
Increase in cash, cash equivalents and restricted cash	$ (10,742)	$ (37,062)
Capital expenditures	$ (2,070)	$ (2,228)

JAKKS Pacific, Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Information (Unaudited)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Δ ($)
	(In thousands)		
EBITDA and Adjusted EBITDA			
Net loss	$ (2,382)	$ (14,225)	$ 11,843
Interest expense	155	143	12
Interest income	(362)	(376)	14
Benefit from income taxes	(1,163)	(6,728)	5,565
Depreciation and amortization	1,559	1,514	45
EBITDA	(2,193)	(19,672)	17,479
Adjustments:			
Other (income) expense, net	(5)	(138)	133
Restricted stock compensation expense	2,552	2,575	(23)
Adjusted EBITDA	$ 354	$ (17,235)	$ 17,589
Adjusted EBITDA/Net sales %	0.3 %	(19.1) %	1940 bps

	Trailing Twelve Months Ended March 31, 2025	Trailing Twelve Months Ended March 31, 2024	Δ ($)	
	(In thousands)			
TTM EBITDA and TTM Adjusted EBITDA				
TTM net income	$ 46,043	$ 29,206	$ 16,837	
Interest expense	1,107	3,591	(2,484)	
Interest income	(827)	(1,603)	776	
Provision for income taxes	11,097	1,488	9,609	
Depreciation and amortization	10,091	10,659	(568)	
TTM EBITDA	67,511	43,341	24,170	
Adjustments:				
Loss from joint ventures (JAKKS Pacific, Inc. - 51%)	-	276	(276)	
Loss from joint ventures (Meisheng - 49%)	-	289	(289)	
Other (income) expense, net	(169)	(263)	94	
Restricted stock compensation expense	9,512	8,513	999	
Change in fair value of preferred stock derivative liability	-	8,176	(8,176)	
Molds and tooling capitalization	-	(1,751)	1,751	
Loss on debt extinguishment	-	1,023	(1,023)	
TTM Adjusted EBITDA	$ 76,854	$ 59,604	$ 17,250	29 %
TTM Adjusted EBITDA/TTM Net sales %	10.8 %	8.6 %	220 bps	

JAKKS Pacific, Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Information (Unaudited)

	Three Months Ended March 31,		
	2025	2024	Δ ($)
	(In thousands, except per share data)		
Adjusted net loss attributable to common stockholders			
Net loss attributable to common stockholders	$ (2,382)	$ (13,175)	$ 10,793
Restricted stock compensation expense	2,552	2,575	(23)
Tax impact of additional charges	(524)	(657)	133
Adjusted net loss attributable to common stockholders	$ (354)	$ (11,257)	$ 10,903
Adjusted loss per share - basic & diluted	$ (0.03)	$ (1.09)	$ 1.06
Shares used in adjusted earnings (loss) per share - basic & diluted	11,146	10,354	792

JAKKS Pacific, Inc. and Subsidiaries
Net Sales by Division and Geographic Region

(In thousands)

Divisions	Q1 2025	Q1 2024	Q1 2023	% Change 2025 v 2024	% Change 2024 v 2023
Toys/Consumer Products	$107,438	$82,910	$97,893	29.6%	-15.3%
Dolls, Role-Play/Dress Up	55,463	40,574	47,843	36.7%	-15.2%
Action Play & Collectibles	42,881	33,008	37,846	29.9%	-12.8%
Outdoor/Seasonal Toys	9,094	9,328	12,204	-2.5%	-23.6%
Costumes	$5,815	$7,166	$9,591	-18.9%	-25.3%
Total	**$113,253**	**$90,076**	**$107,484**	**25.7%**	**-16.2%**

(In thousands)

Regions	Q1 2025	Q1 2024	Q1 2023	% Change 2025 v 2024	% Change 2024 v 2023
United States	$88,944	$70,430	$80,443	26.3%	-12.4%
Europe	11,810	5,735	10,162	105.9%	-43.6%
Latin America	7,459	7,996	9,204	-6.7%	-13.1%
Canada	3,279	3,370	4,054	-2.7%	-16.9%
Asia	751	965	1,380	-22.2%	-30.1%
Australia & New Zealand	613	1,346	1,608	-54.5%	-16.3%
Middle East & Africa	397	234	633	69.7%	-63.0%
TOTAL JAKKS	**$113,253**	**$90,076**	**$107,484**	**25.7%**	**-16.2%**

(In thousands)

Regions	Q1 2025	Q1 2024	Q1 2023	% Change 2025 v 2024	% Change 2024 v 2023
North America	$92,223	$73,800	$84,497	25.0%	-12.7%
International	21,030	16,276	22,987	29.2%	-29.2%
Total	**$113,253**	**$90,076**	**$107,484**	**25.7%**	**-16.2%**